House Engrossed Senate Bill

## FILED KEN BENNETT SECRETARY OF STATE

State of Arizona Senate Forty-ninth Legislature Second Regular Session 2010

CHAPTER 201

## **SENATE BILL 1063**

AN ACT

AMENDING SECTIONS 48-5103, 48-5106, 48-5121, 48-5122 AND 48-5141, ARIZONA REVISED STATUTES; RELATING TO PUBLIC TRANSPORTATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 48-5103, Arizona Revised Statutes, is amended to read:

## 48-5103. Public transportation fund

- A. A public transportation fund is established for the authority. The fund consists of:
- 1. Monies appropriated by each municipality that is a member of the authority or the county, if it elected to enter into the authority. Each member municipality and member county shall appropriate monies to the public transportation fund in an amount determined by the board.
- 2. Monies appropriated by a county that has not elected to enter into the authority in an amount determined by the county board of supervisors.
- 3. Transportation excise tax revenues that are allocated to the fund pursuant to section 42-6104 or 42-6105. The board shall separately account for monies from transportation excise tax revenues allocated pursuant to section 42-6105, subsection E, paragraph 3 for:
  - (a) A light rail public transit system.
  - (b) Capital costs for other public transportation.
  - (c) Operation and maintenance costs for other public transportation.
  - 4. Monies distributed under title 28, chapter 17, article 1.
  - 5. Grants, gifts or donations from public or private sources.
- 6. Monies granted by the federal government or appropriated by the legislature.
- 7. Fares or other revenues collected in operating a public transportation system.
- 8. Local transportation assistance monies that are distributed to each member under section 28-8102 and as provided in section 48-5104.
- 9. Local transportation assistance monies that are distributed to a member pursuant to section 28-8102 and that must be used for public transportation.
- 10. Local transportation assistance monies that are distributed pursuant to section 28-8103, subsection A, paragraph 1.
- B. On behalf of the authority, the fiscal agent shall administer monies paid into the public transportation fund. Monies in the fund may be spent pursuant to or to implement the PUBLIC TRANSPORTATION ELEMENT OF THE regional public transportation system plan DEVELOPED AND APPROVED BY THE REGIONAL PLANNING AGENCY, including reimbursement for utility relocation costs as prescribed in section 48-5107, adopted pursuant to section 48-5121 and for projects identified in the regional transportation plan adopted by the regional planning agency pursuant to section 28-6308.
- C. Monies in the fund shall not be spent to promote or advocate a position, alternative or outcome of an election, to influence public opinion or to pay or contract for consultants or advisors to influence public opinion with respect to an election regarding taxes or other sources of revenue for the fund or regarding the regional public transportation system plan.

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Sec. 2. Section 48-5106, Arizona Revised Statutes, is amended to read: 48-5106. <u>Budget process</u>

- A. The board shall adopt a budget process, IN COOPERATION WITH THE REGIONAL PLANNING AGENCY that ensures that the estimated cost of the regional public transportation system, including corridors, corridor segments and bus purchase and operating costs, does not exceed the total amount of revenues estimated to be available for the regional public transportation system. CHANGES TO THE BUDGET THAT MATERIALLY IMPACT THE PERFORMANCE OF THE REGIONAL TRANSPORTATION PLAN OR THAT ADD OR DELETE CURRENT OR PLANNED REGIONAL SERVICE IN A CORRIDOR, SHALL BE APPROVED BY THE REGIONAL PLANNING AGENCY.
- B. THIS SECTION DOES NOT APPLY TO THE OPERATING BUDGET OF THE AUTHORITY.
  - Sec. 3. Section 48-5121, Arizona Revised Statutes, is amended to read:
    48-5121. Public transportation element of the regional transportation plan
- A. In counties with a population of one million two hundred thousand persons or more, the <del>board</del> REGIONAL PLANNING AGENCY shall develop, a— IN COOPERATION WITH STATE AND LOCAL PUBLIC TRANSPORTATION AUTHORITIES AND OPERATORS, THE <del>regional</del> public transportation <del>system</del> ELEMENT OF THE REGIONAL TRANSPORTATION plan that is coordinated with the regional transportation plan adopted pursuant to section 28-6308.
- B. Among other things, the  $\frac{\text{regional}}{\text{public}}$  public transportation  $\frac{\text{system}}{\text{ELEMENT OF THE REGIONAL TRANSPORTATION plan shall:}}$ 
  - 1. Define and identify regional public transportation corridors.
- 2. Define the public transportation problems, goals and needs for each corridor.
  - 3. Define land use goals.
- 4. 3. Determine environmental, economic, energy and social policies to guide public transportation investment decisions.
- 5. 4. Order the priority of regional public transportation corridors for development.
- 6.5. Determine the mix of alternative public transportation modes appropriate for development in light of the public transportation goals and needs for each corridor.
- 7. Select appropriate public transportation technology, including high occupancy vehicle lanes and related facilities.
- 8. Determine the capacity for exclusive public transportation technology.
- 9.6 6. Determine operating performance criteria and costs for public transportation systems.
- 10. Locate routes and access points to the public transportation systems.
  - 11. Determine the ridership of public transportation systems.
- C. The regional public transportation system ELEMENT OF THE REGIONAL TRANSPORTATION plan shall include, in addition to the appropriate items

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prescribed in subsection B of this section, the following items presented on an individual fiscal year basis:

- 1. The capital and operating costs of the planned regional public transportation system.
- 2. The revenue needed by source, according to section 48-5103, to fund the TRANSPORTATION ELEMENT OF THE regional public transportation system plan.
- D. If the plan includes a rail component and if the board RAIL OPERATOR adopts estimates of capital and maintenance and operation costs of the rail system, each member municipality in which the rail system is constructed shall pay to the public transportation fund amounts by which the actual capital, maintenance and operation costs exceed the estimated costs by more than fifteen per cent, computed in constant dollars. The excess costs shall be allocated among the affected member municipalities according to the proportion of the rail system facilities that are located in each municipality. The affected member municipalities shall:
- 1. Pay the monies from their respective general funds to the public transportation fund in the fiscal year following the fiscal year in which the excess costs were incurred.
- 2. Not pay to the public transportation fund under this subsection monies that it received from any source pursuant to title 28.
- 3. Not reduce its support of transportation projects funded by any source pursuant to title 28 in order to make payments under this subsection.
- E. The board may modify RECOMMEND MODIFICATIONS TO the regional public transportation system ELEMENT OF THE REGIONAL TRANSPORTATION plan to reflect changes in population density or technological advances in the approved public transportation modes. A majority of the members of the board voting at a public hearing called for that purpose must approve a modification to the plan THE RECOMMENDED MODIFICATIONS.
  - Sec. 4. Section 48-5122, Arizona Revised Statutes, is amended to read: 48-5122. <u>Board powers and duties</u>

The board shall:

- 1. IMPLEMENT THE REGIONAL PUBLIC TRANSPORTATION ELEMENT OF THE TRANSPORTATION PLAN FUNDED BY THE PUBLIC TRANSPORTATION FUND.
- 1. 2. Determine the exclusive public transportation systems to be acquired and constructed, the means to finance the systems and whether to operate the PUBLIC TRANSPORTATION systems or to let contracts for their operation.
- $\frac{2}{2}$ . Adopt an annual budget and fix the compensation of its employees.
  - 3. 4. Adopt an administrative code by ordinance that:
- (a) Prescribes the powers and duties of the employees of the authority that are not inconsistent with this chapter.
  - (b) Prescribes the method of appointing board employees.
- (c) Prescribes methods, procedures and systems of operating and managing the board.

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- (d) May provide for, among other things, appointing a general manager and organizing the employees of the board into units for administration, design and construction, planning and operation, property acquisition and community relations and other units as the board deems necessary.
- 4. 5. Cause a postaudit of the financial transactions and records of the board to be made at least annually by a certified public accountant.
  - 5. 6. Adopt all ordinances and make all rules proper or necessary to:
- (a) Regulate the use, operation and maintenance of its property and facilities, including its public transportation systems and related transportation facilities and services operating in its area of jurisdiction.
  - (b) Carry into effect the powers granted to the board.
  - 6. 7. Appoint advisory commissions as it deems necessary.
- 7.8. Do all things necessary to carry out the purposes of this chapter.
  - Sec. 5. Section 48-5141, Arizona Revised Statutes, is amended to read: 48-5141. Regional bus system
- A. The board shall establish and operate a regional bus system. The monies distributed under section 28-6305, subsection 8 shall be spent for incremental increases in a regional bus system and for community funded transportation services including dial a ride programs and special needs transportation services and shall not be used to supplant any existing sources of monies currently being used in operating an existing bus system. The monies shall only be spent for community funded transportation services including dial a ride programs and special needs transportation services and to establish and operate a regional bus system, including extending existing bus routes into regional routes, adding new regional routes, increasing the service on existing regional routes and capital expenditures.
- B. The board may contract with a public agency or with a person on the terms and conditions the board finds in its best interest to operate a regional bus system.

APPROVED BY THE GOVERNOR APRIL 28, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 28, 2010.